

## Mental Health Services Act

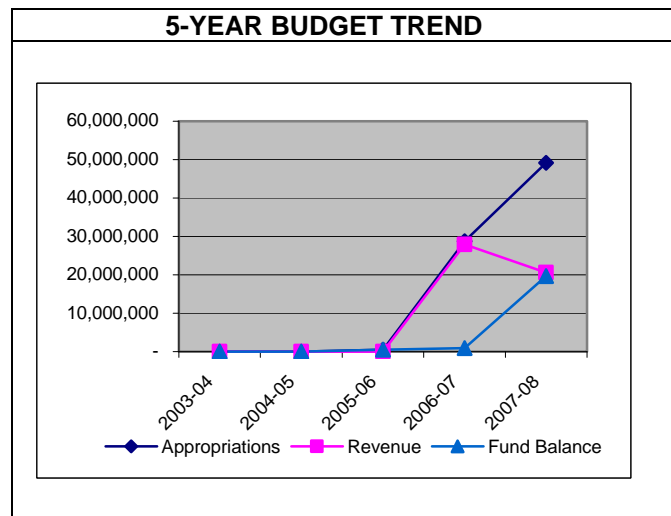
### DESCRIPTION OF MAJOR SERVICES

On November 2, 2004, voters passed Proposition 63, which established a state personal income tax surcharge of one percent on the portion of taxpayers' annual taxable income that exceeds \$1 million. The proposition was enacted into law as the Mental Health Services Act (MHSA) effective January 1, 2005. The overall purpose and intent is "to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness...to insure that all funds are expended in the most cost effective manner...and to ensure accountability to taxpayers and to the public".

This special revenue fund was established in 2005-06. In 2005-06, the state approved the department's three-year plan. One-time and ongoing state funds received from the state were deposited into the fund, and were transferred to the Mental Health budget (MLH) as needed to cover staffing and other costs. In 2007-08, the Department of Behavioral Health anticipates receipt of one-time and ongoing state funds of \$20.6 million. The funds will be deposited into the special revenue fund and will be transferred to MLH as needed to fund new and expanded programs outlined in the three-year plan.

There is no staffing associated with this budget unit. This fund does not directly spend funds or provide services. It is strictly a financing budget with actual expenditures occurring within the operating budget unit of Behavioral Health (MLH).

### BUDGET HISTORY

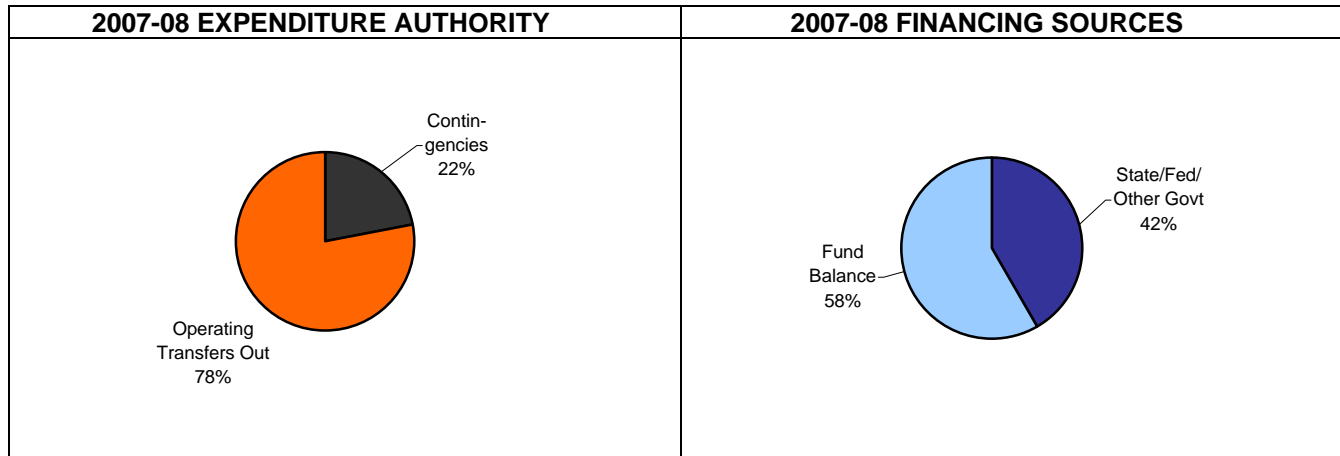


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Actual
Appropriation	-	20,767	938,627	28,786,612	5,278,776
Departmental Revenue	-	557,971	1,287,155	27,900,880	32,910,045
Fund Balance				885,732	



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Behavioral Health  
FUND: MHSA Prop 63

BUDGET UNIT: RCT MLH  
FUNCTION: Health & Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Final Budget	2007-08 Final Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	885,732	10,836,012	9,950,280
Total Appropriation	-	-	-	-	885,732	10,836,012	9,950,280
Operating Transfers Out	-	20,767	938,627	5,278,776	27,900,880	38,305,805	10,404,925
Total Requirements	-	20,767	938,627	5,278,776	28,786,612	49,141,817	20,355,205
<b>Departmental Revenue</b>							
Use of Money and Prop	-	225	19,844	620,745	-	175,534	175,534
State, Fed or Gov't Aid	-	-	1,267,311	32,289,300	27,900,880	20,449,281	(7,451,599)
Other Revenue	-	557,746	-	-	-	-	-
Total Revenue	-	557,971	1,287,155	32,910,045	27,900,880	20,624,815	(7,276,065)
Fund Balance					885,732	28,517,002	27,631,270

Contingencies of \$10,836,012 increased due to a higher undesignated fund balance.

Operating transfers out of \$38,305,805 includes transfers to the Department Behavioral Health's general fund budget unit to cover staffing and other costs associated with MHSA activities. The increase of \$10,404,925 represents full year costs for the MHSA program.

Departmental revenue of \$20,624,815 includes revenue received from the state for the MHSA program and interest revenue. The decrease of \$7,276,065 is primarily due to one-time start up funds received in 2006-07.

